

("Phillips") to be the claimed reflective elements. For example, based on the Examiner's interpretation of Phillips, the diffusive pattern 15 would segment the reflective layer 10 into four reflective elements (the image structure 18) that respectively form the letters "S", "A", "F", and "E" in Fig. 3. The Examiner also clarified that the Final Office Action was not necessitated by Applicant's previous amendment to the claims, but rather, was made because the basis for rejecting claims in the previous office action was maintained in this office action.

Claim Rejections-35 U.S.C. §102

Claims 1, 3, 4, 9-11, 15-20, 22, 23, 28, 29, and 33-37 stand rejected under 35 U.S.C. §102(b), as being anticipated by U.S. Patent No. 5,772,248 ("Phillips"). Applicant respectfully traverses this rejection, since Phillips does not disclose each and every element required by these claims.

The claimed invention is directed to a copy-resistant document that prevents bearer information that is overprinted on the document to be unreadable on a copy of the document. In contrast, Phillips is directed to a tamper and counterfeit resistant document that includes a latent message that only appears on the original document when the document is viewed at a specific angle. Noticeably missing in Phillips is any disclosure that bearer information that is overprinted on the original document is rendered unreadable on a copy of the document.

The Examiner has concluded that the latent message 14 that is formed by the image structure 18 on the overlay marker 10 in Phillips is the bearer information itself. Even assuming that this latent message 14 can be considered the claimed "bearer information," Phillips would still not anticipate claims for several reasons.

In particular, independent claim 1 and 15 require the bearer information to be overprinted on the reflective and diffusive layers (in the case of Phillips, the image structure 18 and raised markings 16, respectively). However, the latent message 14 (assuming that it is the claimed bearer information) is not, and cannot logically be, overprinted on the image structure 18 and raised markings 16, since the latent message is formed by the contrast between the image structure 18 and raised markings 16 (see col. 4, lines 40-45). Because the latent message 14 cannot logically be overprinted on itself, it must be overprinted on something else. Thus, to the extent that the latent message 14 can be considered to be overprinted on something else, it is overprinted on the substrate 11—not the image structure 18 and raised markings 16 that actually forms the latent message 14.

Furthermore, although the Examiner concludes that the latent message 14 of Phillips would inherently be unreadable on a document copy, the Examiner has not shown how this could be. The MPEP provides:

The fact that a certain result or characteristic may occur or be present in the prior art is not sufficient to establish the inherency of that result or characteristic. "To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient. "In relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art." (See MPEP §2112.IV) (emphasis in original)(citations omitted).

The Examiner has not shown that the latent message 14 incorporated into the original document 12 of Phillips would necessarily be unreadable on a copy of the document 12. Although the latent message 14 is not readable when viewing the document 12 at a perpendicular angle, and copy machines view documents at a perpendicular angle

during the copying function, this does not mean that the latent message 14 will not appear on a copy of the document, since the human eye/brain operate in a different manner than copy machines. In fact, the reflectance exhibited by the latent message 14 of the original document 12 would actually cause the latent message 14 to turn black on a document copy at any angle (see col. 4, lines 1-6 of U.S. Patent No. 5,704,651, which describes reflective elements that turn black on a document copy that blend in with a camouflaging background pattern to actually cause information to be unreadable on the document copy), thereby resulting in a clearly readable message when contrasted with the image of the markings 16 on the document copy.

In addition, claim 9 requires the diffusive background pattern to be non-black, and claims 10 and 28 require the diffusive background pattern to be white. Claims 18 and 36 require the bearer information to be black, and the diffusive background pattern to be non-black. Claims 19 and 37 require the diffusive background pattern to be white. Notably, the contrasting colors between the bearer information and the diffusive background pattern provide greater contrast for the bearer information, thereby allowing the bearer information to be more easily distinguished from the diffusive background pattern, and thus, more readable on the original of the document (see paragraph [00013] of the specification). In contrast, the Examiner has not shown that the relief markings 16 disclosed in Phillips are non-black or white. Notably, because Phillips does not intend that bearer information be overprinted onto the overlay marker 10, there would be no apparent reason to contrast such bearer information with a non-black or white background. While the Examiner does conclude that the reflective layer is shown as being non-black, it is shown this way due to the PTO's requirement that embodiments be illustrated with line drawings. There is no disclosure in Phillips that the raised markings 16 are non-black, and certainly, there is no disclosure that they are white.

Claims 11 and 29 further require at least a portion of the diffusive background pattern to be composed of a plurality of nano-characters. The relief markings 16 illustrated in Phillips are simply not disclosed as having nano-characters.

Claims 39, 42, 45, and 48 require the reflective elements to be configured for allowing bearer information to be readable on an original of the document at any viewing angle. The Examiner concluded that because these claims recite "capable of" language, they do not recite positive limitations. Essentially, the Examiner has concluded that the "capable of" limitations recited by these claims are "intended use" limitations. Applicant is fully aware that an "intended use" limitation has no patentable weight. However, the limitations recited in claims 39, 42, 45, and 48 are not intended use limitations, but rather functional limitations that must be given patentable weight.

The Patent Office has stated:

A functional limitation is an attempt to define something by what it does, rather than by what it is (e.g., as evidenced by its specific structure or specific ingredients). There is nothing inherently wrong with defining some part of an invention in functional terms. Functional language does not, in and of itself, render a claim improper.

\* \* \*

A functional limitation must be evaluated and considered, just like any other limitation of the claim, for what it fairly conveys to a person of ordinary skill in the pertinent art in the context in which it is used. A functional limitation is often used in association with an element, ingredient, or step of a process to define a particular capability or purpose that is served by the recited element, ingredient or step. M.P.E.P. § 2173.05(g).

The limitations recited in claims 39, 42, 45, and 48 are proper functional limitations and not intended use. Phillips simply does not disclose that the reflective elements 18 are configured for allowing the latent message 14 (as the bearer information) to be readable on an original of the document 12 at any viewing angle, and in fact, is specifically designed such that the latent message 14 is only readable on the original of the document 12 at an oblique angle.

Claims 40, 43, 46, and 49 require the bearer information to be overprinted using toner or ink. Although it may be true that Phillips discloses that the overlay marker 10 comprises ink or toner receptive material, and thus, bearer information can be overprinted on the overlay marker 10, this is not the same bearer information that the Examiner initially characterized as the latent message 14. If the Examiner now believes that the bearer information is not the latent message 14, but is rather is toner or ink that is overprinted on the overlay marker 10, there is no explicit or implicit disclosure in Phillips that the image of the toner or ink on a copy of the document 12 is unreadable.

Thus, Applicant submits that claims 1, 15, 20, and 33, as well as the claims depending therefrom (claims 3, 4, 9-11, 16-19, 22, 23, 28, 29, and 34-49), are not anticipated by Phillips, and as such, respectfully request withdrawal of the §102 rejection of these claims.

#### Claim Rejections-35 U.S.C. §103

Claims 6, 14, 25, and 32 stand rejected under 35 U.S.C. §103, as being obvious over Phillips. Applicant respectfully traverses this rejection, since Scampini does not disclose each and every element required by these claims.

As stated above, Phillips does not disclose each and every element required by independent claims 1, 15, 20, and 33 from which claims 6, 14, 25, and 32 depend.

Thus, Applicant submits that claims 6, 14, 25, and 32 are not obvious over Phillips, and as such, respectfully request withdrawal of the §103 rejection of these claims.

#### Conclusion

Based on the foregoing, it is believed that all claims are now allowable and a Notice of Allowance is respectfully requested. If the Examiner has any questions or comments


regarding this amendment, the Examiner is respectfully requested to contact the undersigned at (949) 724-1849.

Respectfully submitted,

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